(b) Yes, Sir. As per the World Investment Report 2006, China was the largest recipient of FDI inflow among the developing countries accounting for 7.9% of the total global FDI inflows.

(c) and (d) FDI inflows to India have shown robust growth over the last 3 years. The inflows have increased from Rs. 9564 crores in the calendar year 2003 to Rs. 19,270.7 crore in the calendar year 2005. During the current year 2006 (January to September 2006) the inflows have risen to Rs. 28,374.4 crores. Government has put in place a liberal and transparent FDI policy according to which FDI upto 100% under the automatic route is allowed in most sectors/activities. The FDI Policy including caps on foreign equity limits and procedures are reviewed on a continuing basis with a view to creating an improved investment regime for attracting higher FDI inflows. A review of the FDI policy was undertaken by the Government in January, 2006 whereby further rationalization measures were implemented. Government of India has also set up the Foreign Investment Implementation Authority (FIIA) *vide* resolution dated 9th August, 1999 to facilitate quick translation of FDI approvals into implementation, to provide a pro-active one stop after care service to foreign investors by helping them obtain necessary approvals, sort out operational problems and meet with various Government agencies to find solution to their problems.

Release of funds to Panchayati Raj Institutions under Eleventh Finance Commission

2921. SHRI RAJEEV SHUKLA:
DR. VIJAY MALLYA:

Will the Minister of FINANCE be pleased to state:

(a) what is the total amount released by the Central Government to Panchayati Raj Institutions and urban local bodies in Karnataka as per the recommendations of Eleventh Finance Commission;

(b) what is the amount earmarked for the maintenance of roads and public buildings for the period 2006-2010; and

(c) whether the amount is fully released and what is the balance amount which remains unspent with the State Government?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Eleventh Finance Commission (EFC) recommended a total Local Bodies Grants of Rs. 518.94 crore (Rs. 394.12 crore for Panchayati Raj Institutions and Rs. 124.82 crore for Urban Local Bodies) for Karnataka for the period 2000-05. Government of India released a sum of Rs. 315.29 crore for Panchayati Raj Institutions and Rs. 124.82 crore for Urban Local Bodies to Government of Karnataka upto 31.3.2005, subject to the fulfilment of conditionalities attached to the release of grants and taking into account the pace of utilization of grants upto a prescribed period.

(b) and (c) The Twelfth Finance Commission (TFC) has recommended grants-in-aid of Rs. 1458.12 crore for maintenance of roads and bridges and Rs. 205.12 crore for maintenance of public buildings to Karnataka for 2006-2010. These grants are to be released in two-equal installments in a financial year. While there will be no pre-condition for release of 1st installment in any year, the 2nd installment will be released on the fulfilment of the conditions laid down by the Commission. Ist instalment of grants-in-aid for 2006-07 has already been released to the State and the release of 2nd instalment is being processed based on the conditionalities specified by the TFC. The State Government is expected to utilize the grants released by Government of India during the year it is released.

Promotion of small savings schemes

2922. SHRIMATI BRINDA KARAT: Will the Minister of FINANCE be pleased to state:

(a) the steps taken by Government to promote the small savings scheme to ensure social security:

(b) if so, the details thereof and the interest rates given; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM: (a) to (c): The small savings schemes administered by the Government of India carry different tenor and rates of interest. A statement showing the schemes currently in operation and the rate of interest/maturity value is annexed (*See* below). The schemes are designed to provide safe and attractive investment option to the different sections of small investors. The Central and State Governments take various